

**Yachtsman  
Policy****INAMAR®**

Recreational Marine Insurance

One of the ACE Group of Companies

Policy Number: YKR Y08066358

NEW

Agency Code, Name &amp; Address

289954

ALAN R MOTT AGENCY

184 EAST MAIN ST.

HUNTINGTON, NY 11743

631-549-2628

This is your **Yachtsman** Policy's Declarations Page. Please read carefully. It gives you important facts about your coverage.

The Company Providing This Insurance

ACE AMERICAN INSURANCE COMPANY

1601 Chestnut Street

Philadelphia, PA 19103

The Named Insured Under This Policy:

(NAME)

Mark DeGeorge

Address:

40 Park Avenue #9J  
New York City, NY 10016

The Vessel Covered By This Policy

(NAME)

' SUNDOWNER'

(YEAR BUILT) (LENGTH)

1982 36'

(MAKE)

SEA RAY

(MODEL)

Express

(DOC. OR HULL IDENT. NO.)

SERF35150582

This policy will take effect on 6/23/2005 and end on 6/23/2006

It will begin and end at 12:01 A.M. standard time, at the place where this policy was issued.

In return for the "Total Premium," listed below, we agree to provide the insurance coverages for which a premium is shown in the chart below.

**COVERAGE PROVIDED—**

PARTS	COVERAGES	AMOUNT OF INSURANCE	DEDUCTIBLE AMOUNT	PREMIUM
A	Property Damage	\$ 50,000	\$ 1,000	\$ 800
	Windstorm Deductible		\$ 2,500	\$ 0
	Commercial Towing & Assistance	\$ 1,500	\$ 0	\$ 0
B	Liability Coverage	\$ 1,000,000	\$ 0	\$ 384
C	Medical Payments	\$ 10,000	\$ 0	\$ 0
D	Uninsured Boater	\$ 1,000,000	\$ 0	\$ 0
E	L&HCA	\$ Statutory Limits	\$	\$ (included in "B" if any)
F	Trailer	\$ Not Covered	\$	\$
G	Personal Property	\$ 2,500	\$ 250	\$ 0
	Premium Bearing Endt(s): See Attached Endorsements			\$ 0
TOTAL PREMIUM \$				1,184

LIMITS ON USE: See Navigation Warranty MA-5C59

ENDORSEMENTS: MA-14558 MA-1X09d MA-1X11 MA-3Z58 MA-3Z59a MA-4656b MA-5C59a

JACKET

SIGNATURES

ICE/FREEZE

UNSUB.

TENDER

HULL

FIRE EXT.

ATL. NAV.

Lay-up Warranty — It is warranted the vessel will be laid up for part of the year, the dates are:

From noon: 12/01

To noon: 04/01

Laid up Ashore ☐ If this box is marked, you agree to lay-up your vessel ashore during the above period.

LOSS PAYEE: We will make payments for Part A: Property Damage losses to the Assured and

Countersigned at  
this day of

MA-7N39h (04/04)

INSURED COPY

, Agent  
10/21/2005

### **ACE USA PRIVACY POLICY**

The ACE USA Group of companies strongly believes in maintaining the privacy of information we collect about individuals. We want you to understand how and why we use and disclose the collected information. The following provides details of our practices and procedures for protecting the security of nonpublic personal information that we have collected about an individual. This privacy policy applies to the companies listed below.

Insurance Company of North America  
ACE Insurance Company of Ohio  
Atlantic Employers Insurance Company  
ACE Property & Casualty Insurance Company  
Bankers Standard Insurance Company  
Indemnity Insurance Company of North America

ACE American Insurance Company  
Pacific Employers Insurance Company  
ACE Insurance Company of Texas  
ACE Insurance Company of the Midwest  
ACE Insurance Company of Illinois

### **INFORMATION WE COLLECT**

The information we collect about you will vary depending on the type of product or service you seek or purchase, and may include:

- Information we receive from you, such as your name, address, age, phone number, social security number, assets, income, or beneficiaries;
- Information about your transactions with us, with our affiliates, or with others, such as your policy coverage, premium, payment history, motor vehicle records; and
- Information we receive from a consumer reporting agency, such as your credit history.

### **INFORMATION WE DISCLOSE**

We do not disclose any personal information about you to anyone except as is necessary in order to provide our products or services to you or otherwise as we are required or permitted by law.

We may disclose any of the information that we collect to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements.

### **YOUR RIGHT TO VERIFY THE ACCURACY OF INFORMATION WE COLLECT**

Keeping your information accurate and up to date is important to us. You may see and correct personal information about you that we collect except for information relating to a claim or a criminal or civil proceeding.

### **CONFIDENTIALITY AND SECURITY**

We restrict access to personal information to our employees, our affiliates' employees, or others who need to know that information to service your account or in the course of conducting our normal business operations. We maintain physical, electronic, and procedural safeguards to protect your personal information.

### **CONTACTING US**

If you have any questions about this privacy statement or would like to learn more about how we protect your privacy, please consult our web site, [www.ace-ina.com](http://www.ace-ina.com), or write to us at ACE USA Customer Services, Two Liberty Place, TL35D, P.O. Box 41484, Philadelphia, PA 19101-1484. Please include your policy number on any correspondence with us.

***Signatures***

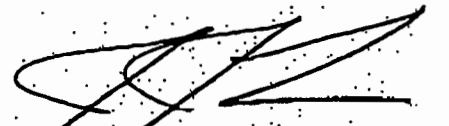
The only signatures applicable to this policy are those representing the company named on the first page of the declarations.

By signing and delivering the policy to you, we state that it is a valid contract when countersigned by our authorized representative.



GEORGE D. MULLIGAN, Secretary

Insurance Company of North America  
Philadelphia, Pennsylvania



JOHN J. LUPICA, President

ACE American Insurance Company  
Philadelphia, Pennsylvania

Indemnity Insurance Company of North America  
Philadelphia, Pennsylvania

**FIRE EXTINGUISHING SYSTEM AGREEMENT**

Named Insured <b>Mark DeGeorge</b>			Endorsement Number <b>Vessel 1</b>
Policy Symbol <b>YKR</b>	Policy Number <b>Y08066358</b>	Policy Period <b>6/23/2005 TO 6/23/2006</b>	Effective Date of Endorsement <b>6/23/2005</b>
Issued By (Name of Insurance Company) <b>ACE AMERICAN INSURANCE COMPANY</b>			

The above is required to be completed only when this endorsement is issued subsequent to the preparation of the policy.

You agree that your yacht is equipped with a built-in and automatic system of fire extinguishing apparatus, properly installed in the engine room and maintained in good and efficient working order.

**ALL OTHER TERMS, CONDITIONS AND VALUATIONS REMAINING UNCHANGED**

\_\_\_\_\_  
Authorized Agent

**ATLANTIC COAST NAVIGATION WARRANTY**

Named Insured <b>Mark DeGeorge</b>			Endorsement Number <b>Vessel 1</b>
Policy Symbol <b>YKR</b>	Policy Number <b>Y08066358</b>	Policy Period <b>6/23/2005 TO 6/23/2006</b>	Effective Date of Endorsement <b>6/23/2005</b>
Issued By (Name of Insurance Company) <b>ACE AMERICAN INSURANCE COMPANY</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

Warranted confined to Atlantic coastwise and inland tributary waters of the United States and Canada between St. John, New Brunswick and Morehead City, North Carolina.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

\_\_\_\_\_  
Authorized Agent

# **ICE, FREEZING OR EXTREMES OF TEMPERATURE**

Named Insured <b>Mark DeGeorge</b>			Endorsement Number <b>Vessel 1</b>
Policy Symbol <b>YKR</b>	Policy Number <b>Y08066358</b>	Policy Period <b>6/23/2005 TO 6/23/2006</b>	Effective Date of Endorsement <b>6/23/2005</b>
Issued By (Name of Insurance Company) <b>ACE AMERICAN INSURANCE COMPANY</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

In consideration of the premium paid, we do not provide coverage under Part A: Property Damage Coverage against loss or resulting damage from ice, freezing or extremes of temperature.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

\_\_\_\_\_  
Authorized Agent

**UNSCHEDULED DINGHY - TENDER ENDORSEMENT**

Named Insured <b>Mark DeGeorge</b>			Endorsement Number <b>Vessel 1</b>
Policy Symbol <b>YKR</b>	Policy Number <b>Y08066358</b>	Policy Period <b>6/23/2005 TO 6/23/2006</b>	Effective Date of Endorsement <b>6/23/2005</b>
Issued By (Name of Insurance Company) <b>ACE AMERICAN INSURANCE COMPANY</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

In consideration of the premium charged, covered losses to a dinghy/tender (including propulsion unit) included as Insured Property under this policy shall be subject to a \$250.00 deductible, providing the overall length of the dinghy/tender shall not exceed 17' and the maximum horsepower for any propulsion unit shall not exceed 40 hp.

The most we will pay for any dinghy/tender and/or propulsion unit is their actual cash value, which is defined as replacement cost less depreciation.

Should a covered loss to both the dinghy/tender and the insured yacht shown in the Declarations Page exceed the Part A: Property Damage Deductible Amount, the \$250.00 deductible applicable to the dinghy/tender shall not apply.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

\_\_\_\_\_  
Authorized Agent



**HURRICANE HAULOUT COVERAGE**

Named Insured <b>Mark DeGeorge</b>			Endorsement Number <b>Vessel 1</b>
Policy Symbol <b>YKR</b>	Policy Number <b>Y08066358</b>	Policy Period <b>6/23/2005 TO 6/23/2006</b>	Effective Date of Endorsement <b>6/23/2005</b>
Issued By (Name of Insurance Company) <b>ACE AMERICAN INSURANCE COMPANY</b>			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

In consideration of the premium charged it is understood and agreed that coverage under Part A: Property Damage Coverage is extended to cover the following:

If the National Weather Service issues a hurricane watch or warning for the area where your vessel is located, we will share equally (50%) with you for the reasonable expenses you incur to:

1. have your insured vessel hauled out of the water, stored until the watch or warning has ended and then launched in the same general area; or
2. have your insured vessel moved to a safe harbor, including any docking or mooring fees.

Expenses for the acquisition of lines, anchors and additional equipment to secure your insured vessel are not included in this coverage.

The most we will pay for any one hurricane is \$500, and for any one policy period is \$1,000. The Part A. Property Damage Deductible Amount does not apply to this coverage

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

\_\_\_\_\_  
Authorized Agent



INSURED COPY

Mark DeGeorge  
40 Park Avenue #9J  
New York City, NY 10016

MA-5795

Y08066358

1-12-04

New Policy

Recreational Marine

**Yachtsman / Windjammer / Boatsman Policy<sup>SM</sup>**

**INAMAR®**

*Recreational Marine Insurance*

one of the ACE Group of Companies

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## **DECLARATIONS PAGE**

(Attach Here)

***This is not a complete and valid insurance policy without  
an accompanying Declarations Page.***

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# YACHTSMAN / WINDJAMMER / BOATSMAN POLICY

## AGREEMENT AND DEFINITIONS

### AGREEMENT

This is a legal contract between you and us. We will provide the insurance coverage described in this policy in return for the premium and the compliance by all covered persons with all applicable provisions of this policy.

### DEFINITIONS

Throughout this policy, **you** and **your** refer to the **named insured** as shown on the Declarations Page, and **we**, **us** and **our** refer to the **company providing this insurance**. In addition, certain words and phrases are defined as follows:

**Insured Property** is defined as:

- a. the vessel(s) shown on the Declarations Page, including spars, sails, machinery, furniture, dinghies/tenders, outboard motors, fittings and other equipment normally required for the operation or maintenance of the vessel; personal watercraft, mooring and cradles are excluded;
- b. any vessel that you acquire ownership of during the Policy Period; however, you must notify us within 30 days of the time you acquire the vessel and pay any additional premium required; in the event of loss during this period, we will pay no more than its cost to you subject to a deductible of one (1%) percent of the hull value or \$250., whichever is greater.

**Covered Person** is defined as you or any person or legal entity operating your vessel(s) as shown on the Declarations Page for private pleasure use with your direct and prior permission. It does not include any person or legal entity employed by, or the agent of a marina, boat repair yard, yacht club, sales agency, boat service station or other similar organization. However, we will cover your liability for bodily injury or property damage caused by any of these persons or organizations.

**Horsepower** is defined as that amount stated by the manufacturer as peak-developed horsepower as measured at the flywheel.

**Dinghy/Tender** is defined as a small craft owned by you which is used to service and maintain the insured vessel.

**Personal Watercraft** is defined as a vessel less than 13' in length upon which the owner sits or stands astride, and is powered by an internal water jet propulsion.

**Latent Defect** is a flaw in the material which is existing at the time of the building of the vessel or her machinery and which is not discoverable by the insured through ordinary methods of testing.

**Tropical Depressions, Tropical Storms and Hurricanes** are defined as those so designated by the National Weather Service and/or the National Hurricane Center.

**Uninsured Boater and Uninsured Owner-Operator** means any owner or operator of a vessel, other than the vessel named in this policy, who is legally responsible for the accident and:

- a. to whom no liability policy applies;
- b. who cannot be identified, such as a hit-and-run operator.

## PART A: PROPERTY DAMAGE COVERAGE

**PERILS INSURED AGAINST:** We will provide coverage for accidental, direct physical loss or damage to your insured vessel as well as salvage charges, except as specifically excluded in this policy.

**OVERLAND TRANSPORT:** We will provide coverage while your vessel is being transported overland, including loading and unloading, provided the distance is 250 miles or less. Distances greater than 250 miles require our prior written permission unless the means of conveyance is a trailer owned by you.



**EXCLUSIONS:** We do not provide coverage under Part A: Property Damage Coverage against loss or resulting damage from:

- a. wear and tear, gradual deterioration, weathering, insects, mold, animals or marine life; however, coverage is provided for accidental damage resulting from zebra mussels, but only applies to engines, generators, and pumps that are attached to the insured vessel;
- b. marring, scratching or denting;
- c. osmosis or blistering;
- d. manufacturer's defects or defects in designs;
- e. the cost of replacing or repairing any item having a latent defect that causes damage to your insured property, however, resulting damage would be covered;
- f. corrosion, except electrolytic (stray current) corrosion.

**EQUIPMENT ON SHORE:** We will provide coverage for all insured property removed temporarily from your vessel for storage on shore. The amount of insurance on the vessel will be reduced by the amount covered on shore.

#### **DEDUCTIBLE AMOUNT**

- a. we will adjust each claim separately for a covered loss to your insured property; the amount of each adjusted claim will be automatically reduced by the Deductible Amount shown on the Declarations Page; no deductible will be applied in the event of a total loss to your vessel, except for conditions outlined in paragraph b below; for deductible purposes, we will treat any two or more covered losses resulting from the same accident or occurrence as one claim;
- b. if a Windstorm Deductible Amount is shown on the Declarations Page, we will apply that deductible to covered losses caused by wind, rain, wave or hail when those losses are the result of either a Tropical Depression, Tropical Storm or Hurricane. This deductible will be in lieu of the Part A: Deductible Amount shown on the Declarations Page and will be applied to the amount of each loss. It will be applicable to all partial, total or constructive total losses.

**LOSS SETTLEMENT:** In the event of loss or damage to your insured property, we will pay the lowest of the following amounts:

- a. the Part A: Property Damage Coverage limit as shown on the Declarations Page;
- b. the cost of replacement;
- c. the cost to repair with no deduction for depreciation, except as specified in Part A: Property Damage Coverage and as shown in the Property Subject to Depreciation section.

We will pay for a total loss to your vessel and other covered property only if:

- a. the vessel is completely lost or destroyed;
- b. the cost of recovering and/or repairing the vessel is greater than the amount of insurance shown on the Declarations Page.

The cost of repairs shall be determined by yacht repair yards, equipment repairers or surveyors agreeable to us.

The amount we will pay for a total loss shall be reduced by the amount paid for repairs of prior covered damage not completed at the time of the total loss.

**PROPERTY SUBJECT TO DEPRECIATION:** In the event of loss or damage to your insured plastic or canvas coverings, inclusive of all-weather bridge and cockpit enclosures, and dodgers, sails, outboard motors or outdrive units, machinery inside the vessel which is over seven (7) years old, or components of any of the preceding items which requires replacement or repair, we will pay the lesser of:

- a. the actual cash value at the time of loss;
- b. the cost to repair subject to depreciation;
- c. the cost of replacement.

**SALVAGE CHARGES:** We will pay for salvage charges you incur arising from a covered loss. Payments for salvage charges will be in addition to any other payments we make for losses covered by this policy. However, the most we will pay for salvage charges is the Part A: Property Damage Coverage limit shown on the Declarations Page. The Part A: Property Damage Coverage Deductible Amount does not apply to this coverage.



**COMMERCIAL TOWING AND ASSISTANCE:** We will provide additional protection in the event there is an emergency situation where you and your vessel are not in imminent danger. The coverage shall be deemed excess over all other valid and collectible towing assistance benefits. We will reimburse you for the reasonable costs you incur, not to exceed the Commercial Towing And Assistance Amount of Insurance shown on the Declarations Page, resulting from the following services to your vessel if help is not available and you must obtain commercial assistance:

- a. towing to the nearest place where necessary repairs can be made;
- b. delivery of fuel, oil, parts or loaned battery (excluding the cost of these items themselves) and emergency labor, while away from safe harbor.

Neither the policy deductible nor the OTHER INSURANCE paragraph under GENERAL PROVISIONS IN THE EVENT OF LOSS apply to this coverage.

## **PART B: LIABILITY COVERAGE**

**PERILS INSURED AGAINST:** We will pay sums that you or a covered person become legally obligated to pay as a result of the ownership, operation or maintenance of your insured vessel because of:

- a. attempted or actual raising, removal or destruction of the wreck of your insured property;
- b. failure to raise, remove or destroy the wreck of your insured property;
- c. bodily injury or loss of life;
- d. your liability to paid crew as defined in the Jones Act or under general Maritime Law;
- e. loss or damage to any property;
- f. pollution or contamination of any kind.

**EXCLUSIONS:** We do not provide coverage under Part B: Liability Coverage for:

- a. liability of other covered persons to you, your spouse, or other persons who reside in your household;
- b. your liability to your spouse, or other persons who reside in your household;
- c. liability assumed by you under any contract or agreement;
- d. liability that arises while your insured property is being conveyed except at the point the vessel is hauled out of the water or launched;
- e. fines or other penalties that any government unit requires you to pay;
- f. punitive damages.

**LIMITS OF LIABILITY:** We will pay no more than the amount of insurance shown on the Declarations Page for all damage or losses resulting from:

- a. any one accident or occurrence; with respect to pollution or contamination of any kind, we will pay up to the Part B: Liability Coverage limit shown on the Declarations Page, or \$500,000, whichever is greater;
- b. any series of accidents or occurrences arising out of the same event; this is the most we will pay regardless of the number of covered persons involved, claims made, vessels or premiums shown on the Declarations Page or the number of vessels involved.

## **PART C: MEDICAL PAYMENTS COVERAGE**

**PERILS INSURED AGAINST:** We will pay for reasonable medical, ambulance, hospital, professional nursing and funeral costs that become necessary due to accidental bodily injury to persons injured while in, upon, boarding, leaving or towed behind your insured vessel. We will pay only for those costs incurred within one year of the date of accident.

**EXCLUSIONS:** We do not provide coverage under Part C: Medical Payments Coverage for:

- a. any employee of yours injured while in the course of employment or while using, maintaining or repairing your insured property;
- b. any responsibility for payment assumed by you under contract or agreement;
- c. anyone who is injured while your insured property is being conveyed, hauled out or launched;
- d. anyone to or for whom benefits are payable under any state or federal compensation law or act.

**LOSS SETTLEMENT:** We will pay no more than the amount of insurance shown for Part C: Medical Payments Coverage on the Declarations Page for all covered costs of each person injured as a result of any one accident or series of accidents arising out of the same event.

**MEDICAL PAYMENTS PROOF-OF-LOSS:** A written, sworn proof-of-loss must be filed with us by any person seeking payment by us under Part C: Medical Payments Coverage, or by someone on their behalf. This proof-of-loss must include:

- a. the name and address of each person and organization performing covered services;
- b. the nature, extent and dates of these services; and
- c. itemized charges and any sums already paid.

This proof-of-loss must be filed:

- a. as soon as reasonably possible after completion of services;
- b. as soon as reasonably possible after the cost of services being provided equals the amount of our liability under Part C: Medical Payments Coverage on the Declarations Page;
- c. within one year of the date of the accident, whichever of the above occurs first.

**ADDITIONAL REQUIREMENTS:** Each person seeking payment by us under Part C: Medical Payments Coverage must:

- a. submit to a physical examination by a physician selected by us when and as often as we reasonably require; we will pay for the cost of the examination; and
- b. provide us with written authorization for release to us of copies of pertinent medical reports and records.

**ADMISSION OF LIABILITY:** Any payment made under this section is not an admission of liability by you or us.

#### **PART D: UNINSURED BOATER COVERAGE**

**PERILS INSURED AGAINST:** We will pay for the damages which, because of bodily injury received aboard your vessel, you are legally entitled to recover from the uninsured owner or operator of another vessel.

**EXCLUSIONS:** We do not provide coverage under Part D: Uninsured Boater Coverage:

- a. for claims settled without our written consent;
- b. if the uninsured vessel is owned by a government agency or unit;
- c. for vessels owned by or furnished for your regular use, or the use of a member of your immediate family or any person insured by this policy;
- d. for an insured person using a vessel without permission;
- e. where no evidence of physical contact exists between your vessel and an unidentified vessel, or where no evidence of physical contact exists between your vessel and an uninsured vessel.

**LOSS SETTLEMENT:** The amount shown for Part D: Uninsured Boater Coverage on the Declarations Page is the most we will pay under Part D, regardless of the number of insured persons, claims made or vessels involved in any one accident or series of accidents arising out of the same event. This coverage will not apply directly or indirectly to the benefit of any insured under any state or federal compensation law or act. Payment made for this coverage to or for an insured person will reduce the amount that person is entitled to recover from the Part B: Liability Coverage of this policy.

#### **PART E: FEDERAL LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION INSURANCE**

When insurance is provided under Part B: Liability Coverage, insurance is also provided under this section. We will provide coverage for any liability which you, as owner of the insured property, incur during the term of the policy under Part E: Federal Longshoremen's and Harbor Workers' Compensation Insurance.

#### **PART F: VESSEL TRAILER COVERAGE**

**PERILS INSURED AGAINST:** We will provide coverage for all accidental, direct physical loss or damage to any trailer listed on the Declarations Page, but only:

- a. if used exclusively for transporting the vessel; and
- b. while located in the continental United States including Alaska, Hawaii, Puerto Rico or Canada.

**EXCLUSIONS:** We do not provide coverage for wear and tear, gradual deterioration or manufacturer's defects.

**DEDUCTIBLE AMOUNT:** We will adjust each claim separately for a covered loss to your insured property. The amount of adjusted claim will be automatically reduced by the Deductible Amount shown on the Declarations Page. We will treat each covered loss as a separate claim. For deductible purposes, we will treat two or more covered losses resulting from the same accident or occurrence as one claim.

**LOSS SETTLEMENT:** In the event of loss or damage to the vessel trailer, we will pay the lowest of the following amounts:

- a. the Part F: Vessel Trailer Coverage limit as shown on the Declarations Page;
- b. the actual cash value at the time of loss;
- c. the cost to repair subject to depreciation;
- d. the cost of replacement.

## **PART G: PERSONAL PROPERTY COVERAGE**

**PROPERTY COVERED:** We will cover clothing, personal effects, fishing gear and sports equipment that belong to you or members of your family while these items are on board your vessel, or are being loaded or unloaded. If you choose, we will provide the same coverage to guests and unpaid crew members. We will not cover money, jewelry, traveler's checks or any other valuable papers or documents.

**EXCLUSIONS:** We do not provide coverage under Part G: Personal Property Coverage against loss or resulting damage from:

- a. wear and tear, mechanical breakdown, gradual deterioration, weathering, insects, mold, animals, marine life, ice, freezing or extremes of temperature;
- b. marring, scratching or denting;
- c. osmosis, blistering, electrolysis or corrosion;
- d. manufacturer's defects, defects in designs or latent defects.

**MYSTERIOUS DISAPPEARANCE AND/OR THEFT:** The coverages provided herein do not insure the mysterious disappearance and/or theft of any covered property unless:

- a. there is visible evidence of forcible entry into the cabin of the insured vessel;
- b. there is visible evidence of forcible removal of covered properties from the insured vessel;
- c. there is a theft of the entire vessel.

**CAUSES OF LOSS WHICH ARE COVERED:** We will cover direct physical loss or damage from any external cause, except as specifically excluded in this policy.

**DEDUCTIBLE:** We will adjust each claim separately for a covered loss to your insured property. The amount of adjusted claim will be automatically reduced by the Deductible Amount shown on the Declarations Page. We will treat each covered loss as a separate claim. For deductible purposes, we will treat two or more covered losses resulting from the same accident or occurrence as one claim.

**LOSS SETTLEMENT:** In the event of loss or damage to your insured property, we will pay the lowest of the following amounts:

- a. the Part G: Personal Property Coverage limit as shown on the Declarations Page;
- b. the actual cash value at the time of loss;
- c. the cost to repair subject to depreciation;
- d. the cost of replacement.

The OTHER INSURANCE paragraph under GENERAL PROVISIONS IN THE EVENT OF LOSS does not apply to PART G: PERSONAL PROPERTY COVERAGE.



## GENERAL CONDITIONS AND EXCLUSIONS

**POLICY PERIOD:** This policy applies only in the event of an accident or loss which occurs during the Policy Period as shown on the Declarations Page.

**EXTENSION OF COVERAGE:** If the Navigation Warranty included in this policy, or the Lay-Up Warranty shown on the Declarations Page, are breached due to matters beyond your control, the policy will remain in effect, but only if you give us written notice of the breach within ten (10) days after the breach and pay any additional premiums due for this extension of coverage. If the Navigation Warranty or Lay-Up Warranty are breached voluntarily there shall be no coverage under this policy without both prior notice to us and approval by us.

**BROADENING COVERAGE:** If, during the Policy Period, we make any revision to this policy which broadens the coverage without additional premium, the broadened coverage will apply as of the effective date of such revision.

**POLICY PREMIUM AND RENEWAL:** The premium shown on the Declarations Page is the initial premium for this policy. If we agree to renew or continue the policy, then at the time of each renewal or continuation of, on the policy anniversary date, the premium for the renewal or continuation will be computed by us according to our premium rules, forms and guidelines then in use.

**CHANGES IN POLICY:** This policy contains all of the agreements between you and us. Its terms may not be changed or waived except by an endorsement issued by us. If a change requires a premium adjustment, we will adjust the premium as of the effective date of the policy change.

**CONFORMITY TO STATE LAW:** When a provision of this policy is in conflict with the applicable law of the state in which this policy is issued, then the law of the state shall apply.

**CANCELLING THE POLICY:** You may cancel this policy by returning it to us or our authorized agent, or by advising us or our authorized agent in writing, stating the future date you want it to be cancelled. We may cancel this policy by delivering or mailing to you at your last address shown on our records, written notice stating when, not less than 15 days after mailing, the policy will be cancelled. Delivery or mailing of this notice to you shall be sufficient proof that notice of cancellation was given. The date of the cancellation stated in the notice shall become the end of the Policy Period.

**RETURN PREMIUMS:** If this policy is cancelled, you may be entitled to a premium refund. If we cancel the policy, any return premium will be computed on a pro-rata basis. If you cancel the policy, any return premium will be computed on a 90% pro-rata basis. No premiums will be returned to you if we have paid you for a total or constructive total loss of the vessel insured under this policy. Any return premium will be paid to you as soon as possible after the cancellation.

**OPERATING OTHER VESSELS:** We will extend the liability coverage provided by Part B: Liability Coverage if you are operating another vessel with the permission of its owner. In addition, if there is a covered property loss, we will pay at the time of the loss up to the amount of insurance shown on Part A: Property Damage Coverage of the Declarations Page. Both amounts are subject to the deductible amount as shown. If there is any other insurance against a loss covered by this provision, we will provide coverage only as excess over such other insurance. We do not provide any coverage while you operate other vessels if:

- a. the vessel is owned wholly or in part by you;
- b. the vessel is rented or under charter to you, or being used for purposes other than private pleasure use;
- c. the vessel is furnished for your regular use;
- d. the vessel length exceeds that of the insured vessel by at least five (5) feet;
- e. the vessel is designed for, or capable of, speeds in excess of 55 miles per hour;
- f. the vessel is a personal watercraft.

**USE OF VESSEL:** We do not provide any coverage while your insured property is used for any type of charter, to carry passengers for hire, to carry property for a fee or for any other commercial use. We will provide coverage while you are attempting to aid other vessels in distress, provided there is no consideration for your services.

**TRANSFER OF INTEREST:** All coverage provided by us will terminate upon the sale, assignment, transfer or pledge of the insured property or of this contract unless prior written consent has been obtained from us.

**CONCEALMENT, MISREPRESENTATION OR FRAUD:** All coverage provided by us will be voided from the beginning of the Policy Period if you intentionally conceal or misrepresent any material fact or circumstance relating to this contract of insurance, or the application for such insurance, whether before or after a loss.

**DISHONEST, ILLEGAL OR INTENTIONAL ACTS:** We do not pay for loss or damage caused by the dishonest, illegal or intentional acts of any covered person, or any person to whom your insured property is entrusted, regardless of whether or not such person is convicted of such an act by a criminal court.

**NO BENEFIT TO OTHERS:** No person or organization which has custody of your insured property and is to be paid for services will benefit from this insurance.

**WAR, CONFISCATION AND CONTAMINATION:** We do not provide any coverage for loss, damage, liability or expense due to:

- a. war, including undeclared war, civil war, insurrection, rebellion, revolution, warlike act by military force or military personnel, destruction or seizure for military purpose and including any consequence of these;
- b. the lawful or unlawful capture, seizure, confiscation, requisition or detainment of your vessel by a civil or military authority or an attempt at any of these;
- c. radioactive, chemical, biological, bio-chemical or electromagnetic contamination.

## **GENERAL PROVISIONS IN THE EVENT OF LOSS**

**PROTECTION AGAINST LOSS:** If your vessel or other property covered by this policy is damaged, you must take all reasonable steps to protect it from further damage. We will reimburse you for reasonable expenses for protecting the property from further damage. Payments for protecting damaged property will be in addition to any other payments we make for losses covered by this policy. However, the most we will pay for protecting damaged property is the coverage limit which applies to that property.

**ABANDONMENT:** If we take any steps to protect damaged property, this does not mean we are accepting an abandonment of the property. And, if you take steps to protect damaged property, this does not mean you are waiving any rights you have to abandon the property.

**NOTICE OF LOSS:** You must report in writing to us, or our authorized agent, as soon as possible after the occurrence of any accident, loss, damage or expense that may be covered under this policy. This notice should state when, where and how the event occurred, and should include the names and addresses of any witnesses. You are also required to notify the police and file a police report as soon as you are aware that your property has been stolen or vandalized. If you do not provide the notice to us as required by this section as soon as possible, any claim for such loss under this policy will be voided.

**PROOF-OF-LOSS:** You must file with us or our authorized agent, as soon as possible after our written request, a detailed proof-of-loss signed and sworn to by you setting forth to the best of your knowledge, the facts of the loss. We may also require you to submit to an examination under oath. See Part C: Medical Payments Coverage for special proof-of-loss requirements for medical payments claims.



**CLAIM OR SUIT AGAINST YOU:** If a claim is made or suit is brought against you or a Covered person for liability that may be covered under this policy, you must immediately notify us and send us every demand, notice, summons or other legal papers received by you or your representative. We will pay the ensuing cost of the suit. We will also have the option of naming attorneys to represent you. Payments for the cost of your legal defense will be in addition to payments we make under your coverage for liability claims against you.

**ASSISTANCE AND COOPERATION:** Any person making a claim must:

- a. cooperate with us in the investigation, settlement or defense of any claim or suit under this policy;
- b. assist us in the enforcement of any right of contribution or indemnity against any person or organization which may be liable to any covered person;
- c. allow us to inspect and appraise all damaged property, not stolen or otherwise unrecoverable, before it is repaired or disposed of;
- d. sign a written authorization permitting us to obtain medical files and other pertinent records;
- e. submit, at our expense and as often as we reasonably require, to a physical examination by physicians we select and at the time and place we select;
- f. not assume any obligation or admit any fault or liability that you or we may be liable for without first obtaining our written consent; and
- g. not incur any expenses that we may be liable for without first obtaining our written consent; the only expenses you may incur without obtaining our written consent are those covered under Part C: Medical Payments Coverage of this policy, or as described in General Provisions In The Event Of Loss in the Protection Against Loss section.

**PAYMENT OF LOSS:** Unless a claim has been paid by others, we will pay for any loss covered under this policy within thirty (30) days after both the detailed sworn proof-of-loss and proof of your interest in the insured property are given to us. However, should a covered loss to your insured vessel result in a total or constructive total loss, the policy premium shall be paid in full prior to the final claim payment.

**OUR RIGHT TO RECOVER:**

If we make a payment under this policy and the person to or for whom payment was made recovers or has the right to recover from another for the covered loss, we will be subrogated to that right; however, our right to recover is subordinate to the insured's right to be fully compensated.

**SALVAGE:** If we have made payment under this policy for loss or damage, and if there is salvage or recovery as a result of that loss or damage, we have the right to recover that salvage or recovery to the extent of our payment.

**SUIT AGAINST US:** You may not bring a suit against us unless you have complied with all terms and conditions of this policy. In addition:

- a. with respect to any claim or loss to insured property, any suit against us must commence within one (1) year of the date of loss or damage;
- b. with respect to any other claim for loss, no suit may be brought against us until the amount of the covered person's obligation to pay has been determined by final judgments after trial or by written agreement signed by you, us and the claimant; any such legal action against us must commence within one year of the date of judgment or written agreement;
- c. no one shall have any right to join us as a party to any action against a covered person;
- d. if any time limitations of this policy are prohibited or invalid under the law, then legal action against us must commence within the shortest limitation of time permitted by such law.

**OTHER INSURANCE:** If any covered person has any other insurance against a property damage loss covered under this policy, we will not pay for any greater proportion of the loss than our applicable amount of insurance stated on the Declarations Page bears to the total amount of insurance covering the loss. With respect to a liability, medical payments and/or uninsured boater loss, any insurance provided by this contract shall be deemed excess over all other valid and collectible insurance.

## SIGNATURES

The only signatures applicable to this policy are those representing the company named on the Declarations Page.

By signing and delivering the policy to you, we state that it is a valid contract when countersigned by our authorized representative.



GEORGE D. MULLIGAN, Secretary

Insurance Company of North America  
Philadelphia, Pennsylvania



SUSAN RIVERA, President

ACE American Insurance Company  
Philadelphia, Pennsylvania



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